

STATEMENT OF
CONGRESSWOMAN MARY ROSE OAKAR
ON THE MARK-UP OF H.R. 382
THE FEDERAL EMPLOYEES HEALTH CARE
FREEDOM-OF-CHOICE ACT OF 1987
BEFORE THE COMMITTEE ON
POST OFFICE AND CIVIL SERVICE

FEBRUARY 3, 1988

MR. CHAIRMAN; I AM PLEASED THAT THE FULL COMMITTEE ON POST OFFICE AND CIVIL SERVICE TODAY WILL MARK-UP MY BILL, H.R. 382, THE FEDERAL EMPLOYEES HEALTH CARE FREEDOM OF CHOICE ACT OF 1987. THIS LEGISLATION IS EXTREMELY IMPORTANT BECAUSE IT WILL GUARANTEE ENROLLEES IN THE FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM (FEHBP) ACCESS TO LICENSED, QUALIFIED HEALTH PROVIDERS OF THEIR CHOICE.

MR. CHAIRMAN; AS YOU KNOW, THIS LEGISLATION PASSED THE HOUSE OF REPRESENTATIVES IN THE 99TH CONGRESS BY A UNANIMOUS VOTE. I WANT TO COMMEND MY SUBCOMMITTEE CHAIRMAN, CONGRESSMAN GARY ACKERMAN, AS WELL AS CONGRESSMEN YOUNG, MYERS, LELAND, AND SOLARZ FOR THEIR ENTHUSIASTIC SUPPORT OF THIS BILL. I GREATLY APPRECIATED THE BIPARTISAN SUPPORT FOR THIS BILL, AND FOR THE PRINCIPLES OF CHOICE AND EXPANDED ACCESS TO HEALTH CARE.

FREEDOM OF CHOICE IS A HALLMARK OF THE FEHBP. AS THE LARGEST EMPLOYER-SPONSORED GROUP HEALTH PROGRAM IN THE WORLD, THE FEHBP INCLUDES ALMOST 300 PLANS, OFFERING EMPLOYEES A WIDE RANGE OF OPTIONS FOR MEETING THEIR HEALTH INSURANCE NEEDS.

FREEDOM OF CHOICE IS IMPORTANT WITHIN PLANS AS WELL. HOWEVER, THOSE FEDERAL EMPLOYEES ENROLLED IN THE FEE-FOR-SERVICE PLANS DO NOT ALWAYS HAVE DIRECT ACCESS TO THE QUALIFIED HEALTH PROVIDERS OF THEIR CHOICE. CURRENTLY, FEHBP PLANS MAY REFUSE TO REIMBURSE A LICENSED PROFESSIONAL WHO PROVIDES A HEALTH CARE SERVICE, SIMPLY BECAUSE THAT PROFESSIONAL IS NOT A PHYSICIAN.

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THE LEGISLATION WE ARE CONSIDERING TODAY REQUIRES FEHBP PLANS TO DIRECTLY REIMBURSE QUALIFIED NURSES, NURSE PRACTITIONERS, NURSE ANESTHETISTS, MARRIAGE AND FAMILY THERAPISTS AND CHIROPRACTORS FOR COVERED SERVICES RENDERED TO FEDERAL ENROLLEES. IN ORDER TO BE REIMBURSED, THESE PROFESSIONALS MUST BE LICENSED OR CERTIFIED AS QUALIFIED PROVIDERS UNDER STATE LAW.

EXPANDED ACCESS TO HEALTH PROVIDERS INCREASES THE LIKELIHOOD THAT FEHBP ENROLLEES WILL BE ABLE TO FIND THE HEALTH CARE THEY NEED. THIS IS ESPECIALLY CRUCIAL IN AREAS OF MENTAL HEALTH CARE AND PRIMARY CARE; IN WHICH FEDERAL EMPLOYEES' HEALTH NEEDS MAY NOT ALWAYS BE MET. IN ADDITION, A GREATER CHOICE AMONG PROVIDERS WILL ALSO PROMOTE COST EFFECTIVENESS WITHIN THE FEHBP. OFTEN, NON-PHYSICIAN PROVIDERS CHARGE FEES LOWER THAN THOSE OF PHYSICIANS. FINALLY, EXPANDED ACCESS TO PROVIDERS WILL BE IMPORTANT TO INDIVIDUALS IN MEDICALLY UNDERSERVED AREAS, WHERE INSUFFICIENT ACCESS AND CHOICE HAVE THREATENED THE QUALITY OF HEALTH CARE.

THIS LEGISLATION IS THE RESULT OF YEARS OF CAREFUL STUDY AND DELIBERATION. DURING THE 99TH CONGRESS, THE HOUSE VOTED TO REQUIRE THE OFFICE OF PERSONNEL MANAGEMENT (OPM) TO STUDY THE FEASIBILITY OF DIRECT REIMBURSEMENT TO NON-PHYSICIANS UNDER THE FEHBP. IN ITS STUDY, THE OPM REPORTED THAT IT INDEPENDENTLY

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ENCOURAGES FEHBP INSURANCE CARRIERS TO ALLOW DIRECT ACCESS TO A VARIETY OF QUALIFIED HEALTH CARE PROVIDERS. CURRENTLY, A NUMBER OF FEHBP PLANS ALREADY PERMIT SUCH ACCESS TO NURSE-MIDWIVES, CHIROPRACTORS AND OTHER PROVIDERS. FURTHERMORE, THE OPM STUDY NOTED THE SUCCESSES OF THE MEDICALLY UNDERSERVED AREAS EXPERIMENT, IN WHICH DIRECT ACCESS TO NON-PHYSICIAN PROVIDERS WAS GUARANTEED. THIS PROGRAM WAS IMPORTANT FOR ASSURING THAT QUALITY HEALTH CARE WOULD BE AVAILABLE IN MEDICALLY UNDERSERVED AREAS. OPM CONCLUDED THAT, BASED ON THIS EXPERIMENT, DIRECT ACCESS WOULD NOT INCREASE PROGRAM COSTS.

IN ADDITION TO THE OPM STUDY, THE SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS HAS HELD HEARINGS ON DIRECT ACCESS AND THE OPM REPORT. WITNESSES BEFORE THE SUBCOMMITTEE AGREED THAT ANY DIRECT ACCESS LAW FOR THE FEHBP SHOULD RECOGNIZE STATE STATUTES LICENSING HEALTH CARE PROVIDERS AND REGULATING THE PRACTICE OF MEDICINE. THESE STATE LAWS PROTECT THE QUALITY OF HEALTH CARE BY ENSURING THAT PROVIDERS PRACTICE ACCORDING TO ACCEPTED GUIDELINES AND MEET PROFESSIONAL STANDARDS.

CONSEQUENTLY, THE BILL WE ARE CONSIDERING TODAY INCLUDES LANGUAGE WHICH RESTATES AND STRENGTHENS CURRENT POLICY THAT FEDERAL LAW GOVERNING THE FEHBP SHALL NOT OVERRIDE STATE OR LOCAL LAWS WHICH RELATE TO THE LICENSING OR CERTIFICATION TO PRACTICE

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MEDICINE, NURSING, OR ANOTHER HEALTH PROFESSION. FEHBP INSURANCE PLANS, MAY NOT, HOWEVER, IMPOSE THEIR OWN REQUIREMENTS ON PRACTITIONERS IN ADDITION TO THOSE MANDATED BY LAW. TO DO SO RESTRICTS FREEDOM OF CHOICE, INHIBITS COMPETITION, AND DENIES FEDERAL EMPLOYEES ACCESS TO HEALTH CARE PROVIDERS.

THE FREEDOM OF CHOICE PROMOTED BY MY LEGISLATION WILL ALSO HELP CONTROL HEALTH COSTS UNDER THE FEHBP. A REPORT BY THE CONGRESSIONAL BUDGET OFFICE HAS CONCLUDED THAT ENACTMENT OF THIS REFORM WOULD HAVE NO SIGNIFICANT IMPACT ON THE FEDERAL BUDGET. IN ADDITION, THE BUDGETS OF STATE AND LOCAL GOVERNMENTS WOULD NOT BE DIRECTLY AFFECTED. CBO CONFIRMED OUR PREMISE THAT THE PROVISION OF DIRECT REIMBURSEMENT WILL NOT RAISE COSTS.

IT IS IMPORTANT TO REMEMBER THAT MY BILL MANDATES EXPANDED ACCESS TO PROVIDERS, BUT DOES NOT REQUIRE EXPANDED COVERAGE FOR HEALTH SERVICES. THIS LEGISLATION WOULD ENHANCE CHOICE, A SIMPLY, YET FUNDAMENTAL IMPROVEMENT THAT WOULD BENEFIT ALL FEHBP ENROLLEES. THROUGH THIS LEGISLATION, FEHBP ENROLLEES WILL ENJOY BROADER ACCESS TO QUALITY HEALTH CARE AT NO ADDITIONAL COST.